

Payroll Facts

CHOP's need to be signed in order to process.

CHOP's stands for "Cancellations, Handdrawns, and OverPays"

When entering a batch in CPPS and the batch is out of balance, press the "PF3" key to access corrections.

The State has 40 days to respond to a garnishment served.

CPPS stands for "Colorado Personnel Payroll System".

The deadline for submitting a CHOP to be processed in the same day is 12:00pm.

When entering a batch in CPPS and you receive an "off-cycle" message about an employee, press the "PF6" key to post the transaction.

Additional direct deposits cannot be taken on a CHOP or SCH 9XX.

Recalls take an average of five days to process from the time of submitting the request to our bank to receiving the money back into our bank account.

PERA was first established in Colorado in 1931.

In 1987, PERA payroll contributions (not retirement benefits) became tax-deferred income for Colorado State Income Tax purposes.

As of December 31, 2004, there were 25 PERA benefit recipients aged 100 years or older.

Medicare tax is required to be paid by Colorado State employees that are hired on or after April 1, 1986.

Medicare pays for "Part A" (hospital).

As of September 1, 1997 minimum wage is \$5.15 per hour.

Direct deposit became mandatory for all Colorado State employees on March 1, 1988.

The name of the agreement between the State of Colorado and the Social Security Administration that allows all newly hired Colorado State employees to contribute to Medicare is "Section 218".

To calculate hourly salary, take the monthly salary times (x) 12, then divide by 2080.

The State of Colorado began to use 125 plans in July 1987.

The 457 Deferred Compensation Plan started in 1981.

Timesheets must be kept at least three years.

Additional direct deposit amounts listed on the direct deposit screen in CPPS is the amount that is taken from each paycheck (bi-weeklies are not cut in half).

One times do work for additional direct deposit GTN's.

PERA became mandatory for all State of Colorado employees (except students or PERA retired employees) on July 1, 1991.

State rate for PERA contributions are: Public Safety employees – 12.85%; Judges – 12.66%; all other employees – 10.15% as of July 1, 2003.

The I-9 Form is good for three years (ie. Employee is employed for three months, is gone for three months, then returns for three months – no new I-9 Form is required).

Checks sort using agency field on screen 3 of system 2.

Timesheets sort using agency field on screen 4 of system 2.

ACH stands for “Automatic Clearing House”.

The Fiscal Rule for mandatory direct deposits is 9-2.

To calculate Medicare/PERA grosses: Total Gross (includes regular pay + shift differential + overtime + other) – Sick Payoff (SKF) – Uniform Pay (UNF) – RDN Health – RDN Dental – RDN Parking – RDN Bus Pass – Flexible Spending.

To calculate Federal/State Taxable grosses: Total Gross (includes regular pay + shift differential + overtime + other) – Uniform Pay (UNF) – RDN Health – RDN Dental – RDN Parking – RDN Bus Pass – Flexible Spending – Employee PERA (002) – Deferred Compensation (457, 401(k), 403(b)).

Health, dental, state life, additional employee life, spouse life, dependant life, PERA life and short-term disability insurances as well as flexible spending, bus pass and 457/401(a) loans can be prepaid.

Money that is collected from the employee, not the employee's pay, whether for a prior, current or future amount is “prepaid”.

Collene processes garnishments and wage attachments.

Yafa adds and removes CPPS users to security.

Yafa processes deceased employee's warrants.

Brenda processes prepaids.

Brenda processes overpays.

Brenda processes W-2C's.

Kurtis updates the bank table in CPPS.

Kurtis deletes direct deposits.

Justin processes CHOP requests.

Justin researches mailing issues.

Direct deposit information for an employee can be changed up until 7:00pm the night of processing for that payroll.

The deadline for deleting a direct deposit is 1:00pm two days prior to payday.

The reasons for deleting a direct deposit are: overpaid, paid in error, or account closed.

Overpaid means the employee received too much money on a payroll.

Paid in error means the employee should not have received any money at all on a payroll.

Underpayments can be refunded on the next available payroll.

PERA money (employee deduction and state contribution) is sent to PERA no later than five working days after payday.

The difference between a reversal and recall is that a reversal is an automatic transaction and a recall is a manual transaction.

Cancels will show in CPPS after the next available payroll is processed.

Screen 7 in payroll history shows where the employees money was deposited for that payroll.

If the net amount of an employee's direct deposit delete will change, the payroll will be cancelled in CPPS. If the net amount of an employee's direct deposit delete will not change, it will be replaced with a handdrawn check.

If a one-time or a refund is processed for PERA, the payroll officer needs to submit a correcting Excel spreadsheet to Kurtis.

Central Payroll's web address is www.colorado.gov/dpa/dfp/sco/payroll.htm.

W-4's that are marked "exempt" or are claiming more than 10 exemptions no longer need to be submitted to the IRS for approval unless requested by the IRS.

Garnishments cannot be taken from "WSR" pay.

The Medicare tax rate for all wages earned by an employee is 1.45%.

Employers must match Medicare tax.

The Fair Labor Standards Act (FLSA) was passed by Congress in 1938.

The Social Security Act was passed by Congress in 1935.

The Immigration Reform Act went into effect on June 1, 1985.

Moving expense reimbursement is tax excludable earnings to an employee if: the individual is an employee, the employee actually incurred or paid the expenses, the expenses are closely related to starting work at a new job location, the employee worked for 39 weeks (full time) after the move and the new job is at least 50 miles farther from the former home than the old job location was from the former home.

United States Tax Code, Title 26 (Internal Revenue Code), Subtitle C, Chapter 24, Section 3402 requires employers to withhold from employees paychecks and pay to the Internal Revenue Service federal withholding tax.